*668 *175 316 5. The excavation of a new coal shaft near Sian started on August 24, 1955, and is expected to be completed in 1958. It will become part of the Tungchwan coal mines.

*668 *175 315 2. Kansu.

The most important industrial project in Kansu is perhaps the Yümen Oil Field. Since the Communists took over, extensive reconstruction work has been carried out in this major oil center of China with the help of experts from the Soviet Union, Czechoslovakia, Rumania and East Germany. The Communists boasted that production has increased many fold. If [433] the index of production in 1950 was 100, that in 1951 was 140, and 1954 was 430. In 1955, they planned to produce thirty percent more crude oil than in 1954, and capital investment allocated for the sinking of new wells was twenty-five percent more than in 1954. Latest record of drilling is 234.3 meters in one day, and products include petroleum, kerosene, lubricating oil, diesel oils, tar and paraffin wax. The total output has never been revealed, but it is known that more than five thousand workers are employed.

*668 *175 The Communists have also paid attention to the development of industrial production in Kansu in general. In 1955, twenty-one state-owned or semi-state-owned factories and mines were built or renovated, and all of them are in operation. The [377] more important ones are as follows: (1) a power plant in Lanchou, which increased the supply of electric power by fifty percent; [258] (2) six oil-extracting plants in Kuting and Wuwei, which, when [316] fully completed, will increase the production of vegetable oil in Kansu nearly two hundred percent; and (3) five small coal mines, which increased the coal production by 88.2 percent over 1954.

[316] It was reported on April 4, 1953, that one of the country's largest copper deposits was found in Kansu, the Pai-yin-ch'ang copper mine, which they planned to develop under the first Five Year Plan as one of the major industrial projects in that [382] area. There is also a report that a refinery has been built in Lanchou. But details on these developments are lacking.

*668 *175 315 316 There are comparatively few industrial activities in Chinghai. However, with the development of the Chinghai-Tibet highway, the Communists are hopeful that rich oil and coal deposits may be found in the Tsaidam Basin. Tsaidam is one of the country's major areas scheduled for oil-prospecting in 1955, and drilling has already been started there. Besides, [491] mining of anthracite coal has begun in an undisclosed location in Chinghai, which was discovered by the builders of the Chinghai-Tibet highway in August 1953. Truck loads of the coal are now going regularly to Lhasa and other points along the new highway.